



IMPACT OF FUNDING CHANGES ON CHILD CARE: AN ONTARIO COALITION FOR BETTER CHILD CARE SURVEY

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Since the Conservative government came to office in June 1995, a number of changes have been made to the province's child care system, including:

- Reduction of child care subsidies funding for jobsOntario Training (JOT) from 100% to 80% — municipalities have to assume responsibility for the first 20% to retain the subsidized spaces;
- Cancellation of the Child Care conversion programme, which promoted the conversion of child care from commercial to non-profit service;
- Cancellation of the Child Care Programme Development Fund, which supported the expansion of non-profit services;
- A 2.5% across-the-board reduction to all social service agencies - including child care providers — in 1995-96, annualized to 5% for 1996-97;
- Cancellation of funding for minor capital projects and wage and fee subsidies for new school-based child care centres.

Critics charged that these changes would result in a loss of subsidized child care spaces and the closure of programmes across the province. The Ontario Coalition for Better Child Care (OCBCC), a provincial lobby group representing providers and supporters of publicly-funded child care, conducted a survey of 56 municipal children's services departments in January and

June 1996 to assess the impact of the funding changes.¹

According to the OCBCC survey, of 10,687 JOT-subsidized child care spaces in existence prior to June 1995, 9,119 have been eliminated and 1,568 have been continued as a result of municipalities' decisions to fund them. Other province-wide changes in child care availability which occurred during the period from July 1995 to June 1996 include:

- 30 child care programmes were closed;
- 408 staff were laid off due to downsizing and programme closures;
- 8 municipalities imposed wage cuts on child care staff;
- 20 municipalities imposed a freeze on new families receiving subsidies;
- 11 municipalities imposed or increased user fees for families receiving subsidies;
- 18 regional municipalities downsized programmes and/or operations;
- 3 regional municipalities reduced or canceled purchase of service agreements with community-based child care programmes;
- 18 local child care planning groups were canceled; and
- 14 new child care programmes and/or planned expansions were canceled.

¹ Ontario Coalition for Better Child Care, *The Status of Child Care in Ontario: Survey of Ontario Municipalities* (Toronto: The Coalition, 1996).

The OCBCC survey includes detailed results for each of the 56 regions/municipalities contacted and is available in the Legislative Library. The following are some highlights:

City of London

Prior to June 1995, there were 498 jobs Ontario Training (JOT) subsidies, 362 of which are now funded by the City of London at the 80/20 cost sharing level. These spaces are now being phased out. To date, only one private home agency and one group programme have closed, no regular subsidies have been lost and there have not been any wage cuts.

The Regional Municipality of Ottawa-Carleton

The Regional Municipality has decided to fund the 707 JOT subsidies in place prior to June 1995 until December 1996.

City of Thunder Bay

Of the 90 JOT subsidized spaces which existed prior to June 1995, the City of Thunder Bay has continued to fund 47 at the 80/20 cost sharing rate. The remaining 43 positions have made "alternate arrangements."

Municipality of Metropolitan Toronto

In October 1995, Metro Toronto agreed to fund the existing 3,580 subsidized spaces until March 1996, at which time the federal government agreed to fund Metro's 20% share until September 1996. In order to retain the previous level of services, user fees, wage cuts and a reduction in services have occurred.

Town of Iroquois Falls (Timmins District)

Since October 1995, 153 of 218 JOT subsidies have been eliminated, 45 were transferred to

approved corporations and 20 have been maintained by the Tri-town area at the 80/20 cost sharing rate. Regular subsidies in the District have been frozen as well.

Wellington County (Guelph)

All 128 JOT subsidies have been funded at the 20% level. No regular subsidies have been lost and no wage freezes have been implemented.

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